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April 23, 1998 (now abandoned), which is a continuation of U.S. Patent Application No. 08/513,435 (now issued as U.S. 5,781,449). --

## IN THE CLAIMS:

Please cancel all claims pending in the application, i.e., Claims 1-28, without prejudice to or disclaimer of the subject matter contained therein, and add the following new Claims 29-48.

29. (New) An apparatus for analyzing network activity, the apparatus comprising:

a packet capturing module, for accessing the packets traversing a network, the packets having source and destination addresses of network devices exclusive of the apparatus, and for filtering the packets to produce packet data, wherein the packet capturing module produces the packet data by retrieving a predetermined address, comparing the predetermined address to the source and destination addresses for a current packet, and retaining the current packet when one of the source and destination addresses for the current packet matches the predetermined address;

a packet analyzing module, in communication with the packet capturing module, for producing decoded packet data, wherein the decoded packet data includes a plurality of patterns of packets, and for producing transaction data from the decoded packet data, wherein the transaction data is derived from a time value for identifying a substantially optimal collection of patterns of packets indicative of transaction instances; and

a data management module, in communication with the packet capturing module and the packet analyzing module, for analyzing the packet data and the transaction data to provide an indication of network usage.